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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

KRISTIN K. MAYES - Chairman  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

IN THE MATTER OF:

MIKO D. WADY and JENNIFER L. SAVAGE  
(f.k.a. JENNIFER L. WADY), formerly husband  
and wife;

NATO ENTERPRISES, LLC, an Arizona limited  
liability company;

MALIKA S. SMITH and KORY C. SMITH,  
formerly wife and husband;

BOBBY G. GOODSON and PAMELA D.  
GOODSON, husband and wife;

CAA GENERAL PARTNERSHIP, an  
Arizona general partnership;

MARIO K. REED, a single man;

PHOENICIAN ENTERTAINMENT, L.L.C.,  
an Arizona limited liability company;

THURSTON SMITH and SHAVONE  
SMITH, husband and wife; and

B.Y.B. ENTERTAINMENT, L.L.C., an  
Arizona limited liability company;

RESPONDENTS.

DOCKET NO. S-20716A-09-0574

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ARIZONA CORPORATION COMMISSION  
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Arizona Corporation Commission

**DOCKETED**

FEB 12 2010

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**SECOND**  
**PROCEDURAL ORDER**  
**(Continues Pre-Hearing Conference)**

**BY THE COMMISSION:**

On December 23, 2009, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing ("Notice") against Miko D. Wady and Jennifer L. Savage (f.k.a. Jennifer L. Wady), formerly husband and wife; NATO Enterprises, LLC, an Arizona limited liability company ("NATO"); Malika S. Smith and Kory C. Smith, formerly wife and husband; Bobby G. Goodson and Pamela D. Goodson, husband and wife; CAA General Partnership, an Arizona general partnership ("CAA"); Mario K. Reed, a single man;

1 Phoenician Entertainment, L.L.C., an Arizona limited liability company ("Phoenician"); Thurston  
2 Smith and Shavone Smith, husband and wife; and B.Y.B. Entertainment, L.L.C., an Arizona limited  
3 liability company ("B.Y.B.") (collectively "Respondents") in which the Division alleged multiple  
4 violations of the Arizona Securities Act ("Act") in connection with the offer and sale of securities in  
5 the form of investment contracts.

6 The Respondents were duly served with copies of the Notice.

7 On January 7, 2010, a request for hearing was filed by Respondent Malika S. Smith.

8 On January 14, 2010, a request for hearing was filed by Respondent Mario Reed.

9 On January 15, 2010, a request for hearing was filed by Respondent Bobby Goodson.

10 On February 1, 2010, by Procedural Order, a pre-hearing conference was scheduled on  
11 February 25, 2010.

12 On February 9, 2010, counsel for the Division filed a Motion to Continue the pre-hearing  
13 conference due to a scheduling conflict with another matter which was scheduled earlier.

14 Accordingly, the pre-hearing should be continued.

15 IT IS THEREFORE ORDERED that the **pre-hearing conference** shall be continued from  
16 **February 25, 2010, to March 11, 2010 at 10:30 a.m.**, at the Commission's offices, 1200 West  
17 Washington Street, Room 100, Phoenix, Arizona.

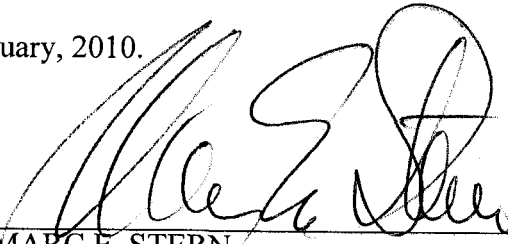
18 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized  
19 Communications) applies to this proceeding as the matter is now set for public hearing.

20 IT IS FURTHER ORDERED that withdrawal or representation must be made in compliance  
21 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the  
22 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances  
23 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is  
24 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the  
25 Administrative Law Judge or the Commission.

26 IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules  
27 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to practice of law and admission *pro*  
28 *hac vice*.

1 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive  
2 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

3 DATED this 12<sup>TH</sup> day of February, 2010.

4  
5  
6   
7 MARC E. STERN  
ADMINISTRATIVE LAW JUDGE

8 Copies of the foregoing mailed/delivered  
9 this 12<sup>TH</sup> day of February, 2010 to:


10 Mario Reed  
11 1225 North Woodburne Drive  
12 Chandler, AZ 85224

13 Bobby Goodson  
14 2205 East Taurus Place  
15 Chandler, AZ 85249

16 Malika S. Smith  
17 1175 West Pecos Road, No. 1038  
18 Chandler, AZ 85069

19 Matt Neubert, Director  
20 Securities Division  
21 ARIZONA CORPORATION COMMISSION  
22 1300 West Washington Street  
23 Phoenix, AZ 85007

24 ARIZONA REPORTING SERVICE, INC.  
25 2200 North Central Avenue, Suite 502  
26 Phoenix, AZ 85004

27 By:   
28 Debra Broyles  
Secretary to Marc E. Stern